



ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

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Superintendent of Financial Institutions

Janice K. Brewer
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NEWS RELEASE

For Immediate Release
March 2, 2009

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Department of Financial Institutions files to revoke license of Mortgages Ltd.

Today Superintendent Felecia Rotellini of the Arizona Department of Financial Institutions ("DFI") announced the filing of a Notice of Hearing to Revoke the mortgage banker license of Mortgages Ltd. The Notice was filed at the Office of Administrative Hearings ("OAH") on Friday, February 27, 2009.

The revocation action is based upon Mortgages Ltd's failure to maintain its required bond and DFI's findings during its examination from June 2008 until January 2009. Those findings include Mortgages Ltd's:

- insolvency
- failure to comply with generally accepted accounting principles in the preparation of financial statements
- failure to obtain the Superintendent's prior consent to a change in control of the company
- failure to conduct the minimum elements of reasonable employee investigations as part of its hiring process
- failure to keep and maintain correct and complete records
- misrepresentations in the course of the mortgage banking business, specifically relating to loan funding ability and true financial condition
- failure to meet statutorily required minimum net worth
- failure to maintain a statutorily correct trust subsidiary ledger, and
- failure to furnish information to DFI

The full text of the Notice can be reviewed at
http://www.azdfi.gov/Final/Forms/Mortgages_LTD_NOH.pdf

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